

Small Business Regulatory Fairness Board

Small Business Impact Statement

Date: March 31, 2016

Rule Number: 2 CSR 100-11.010 Dairy Producer Margin Insurance Premium Assistance Program

Name of Agency Preparing Statement: Missouri Agricultural and Small Business Development Authority (MASBDA)

Name of Person Preparing Statement: David Meyer

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Name of Person Approving Statement: David Meyer

Please describe the methods your agency considered or used to reduce the impact on small businesses *(examples: consolidation, simplification, differing compliance, differing reporting requirements, less stringent deadlines, performance rather than design standards, exemption, or any other mitigating technique).*

The rules are designed to follow the language in HB 259 which establishes the Dairy Producer Margin Insurance Premium Assistance Program. The rules will allow the program to proceed and will allow small business owners, dairy farmers in this case to receive a beneficial reimbursement on the premium paid to Farm Service Agency (FSA) for the Margin Protection Program for Dairy (MPP-Dairy).

Please explain how your agency has involved small businesses in the development of the proposed rule.

The Missouri Agricultural and Small Business Development Authority is composed of small business owners and farmers from across Missouri. All members interact with small businesses on a professional and peer basis regularly.

Please list the probable monetary costs and benefits to your agency and any other agencies affected. Please include the estimated total amount your agency expects to collect from additionally imposed fees and how the moneys will be used.

Since the legislature did not appropriate any funds for the program, MASBDA will charge an application fee of \$50.00 to cover the costs of administering the program. Based on the participation for the MPP-Dairy

program, the small business cost for the fees is estimated to be \$24,700. The public program dollars needed for the reimbursements for the dairy producers is estimated to be \$600,000.

Benefit will be that upon adoption eligible dairy producers would be able to receive \$600,000 in premium reimbursement in aggregate.

Estimated total amount collected: \$24,700.00 additional fee revenue annually to operate the Dairy Producer Margin Insurance Premium Assistance program.

Please describe small businesses that will be required to comply with the proposed rule and how they may be adversely affected.

Missouri Dairy producers that participate in the MPP-Dairy program with FSA. Based on current numbers from FSA this would be approximately 500 dairy producers in Missouri.

Please list direct and indirect costs (in dollars amounts) associated with compliance.

The direct costs are projected to be \$24,700. The benefits to the pool of applicants are estimated to be approximately \$600,000.

Please list types of business that will be directly affected by, bear the cost of, or directly benefit from the proposed rule.

Missouri dairy producers that participate in the MPP-Dairy program with FSA.

Does the proposed rule include provisions that are more stringent than those mandated by comparable or related federal, state, or county standards?

Yes____ No_X__

If yes, please explain the reason for imposing a more stringent standard.

For further guidance in the completion of this statement, please see §536.300, RSMo.